## REMARKS

Claims 1-11, 16, 17, 22, 25 and 26 are pending in this application, with Claims 1, 16, 22, 25 and 26 being independent claims.

Claims 18 and 19 have been cancelled without prejudice to or disclaimer of the subject matter presented therein.

Claims 1, 16, 25 and 26 have been amended. Applicant submits that support for these amendments can be found in the original disclosure, and therefore no new matter has been added.

Claim 1-6, 10-11 and 22 were rejected under 35 U.S.C. 102 as being anticipated by U.S. Patent No. 6,449,380 B1 (Acharya et al.). Claim 7 was rejected under 35 U.S.C. 103(a) as being unpatentale over Acharya et al. in view of U.S. Patent No. 6,141,753 (Zhao et al.). Claims 8 and 9 were rejected under 35 U.S.C. 103(a) as being unpatentable over Acharya et al. in view of U.S. Patent No. 6,707,774 (Kuroda et al.). Applicant respectfully traverses these rejections for the reasons discussed below.

As recited in independent Claim 1, the present invention includes, inter alia, the features of segmenting objective content into a plurality of partial contents, encrypting at least one partial content of the plurality of partial contents, embedding a digital watermark in the encrypted partial content, decrypting the encrypted partial content in which the digital watermark is embedded, and combining the partial content obtained by the decryption with other partial content obtained by the segmenting. Due to these features, a content (such as a digital image) can be obtained in which partial content including a digital watermark has been decrypted after embedding the digital watermark in the partial content, while other partial contents have not been embedded. Accordingly, an overall

quality of the content is protected from deterioration. Applicant submits that the cited art fails to disclose or suggest at least these features.

Acharya et al. merely discloses encryption of watermark information, compression of an image, and combination of the encrypted watermark information with the compressed image. Thus, while that patent discloses encryption of a watermark, it fails to disclose or suggest encryption of partial content and embedding of a digital watermark in the encrypted partial content, and further fails to disclose or suggest decrypting the partial content in which the digital watermark is embedded and combining it with other partial content.

The other cited art fails to remedy the above-noted deficiencies of Acharya et al.

For the foregoing reasons, Applicant submits that independent Claim 1 is patentable over the art of record.

Independent Claim 22 recites features similar to those of Claim 1 and is believed to be patentable for similar reasons.

Claims 16-19 and 25-26 were rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 6,141,753 (Zhao, et al.). This rejection is respectfully traversed for the following reasons.

As recited in independent Claim 16, the present invention includes, among others, the feature of embedding a digital watermark for a display in content when the content is to be output to a display and embedding a digital watermark for a printer in content when the content is to be output to a printer. Applicant submits that the cited art fails to disclose or suggest at least that feature. Zhao et al. discloses a system that includes a work storage for storing watermarked

representations associated with work information 119 containing use information 118.

However, that patent fails to disclose or suggest that a digital watermark for a display is

embedded in content when the content is to be output to a display and a digital watermark

for a printer is embedded in content when the content is to be output to a printer.

For the foregoing reasons, Applicant submits that independent Claim 16 is

patentable over the art of record. Independent Claims 25 and 26 recite features similar to

Claim 16 and are believed to be patentable for similar reasons.

The dependent claims are believed patentable for at least the same reasons as their

respective independent claims, as well as for the additional features they recite.

In view of the above amendments and remarks, this application is believed to be in

allowable form. Therefore, early passage to issue is respectfully solicited.

Applicant's undersigned attorney may be reached in our Washington, D.C. office by

telephone at (202) 530-1010. All correspondence should continue to be directed to our

below-listed address.

Respectfully submitted,

Attorney for Applicant Brian L. Klock

Registration No. 36,570

FITZPATRICK, CELLA, HARPER & SCINTO

30 Rockefeller Plaza

New York, New York 10112-3801

Facsimile: (212) 218-2200

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